IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No.232 of 2001
with
COMPANY PETITION No.233 of 2001

For Approval and Signature:

Hon'ble MR.JUSTICE D.A.MEHTA Sd/-

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : NO

2. To be referred to the Reporter or not? : NO

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the Civil Judge? : NO

ASSOCIATED TRANSRAIL STRUCTURES LTD.
TRANSRAIL ENGINEERING CO. LTD.

Versus

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Appearance:
DR MAHESH THAKAR for Petitioner No. 1
MS PJ DAVAWALA for Respondent No. 1

CORAM : MR.JUSTICE D.A.MEHTA
Date of decision: 03/05/2002

COMMON ORAL JUDGEMENT

1. These are the petitions filed by two different petitioner - Companies for sanction of a Scheme of amalgamation of Transrail Engineering Company Limited (the Transferor Company) with Associated Transrail Structures Limited (the Transferee Company) under Section 391 read with Section 394 of the Companies Act,1956.

2. The Transferor Company is a closely held Public Limited Company which is engaged in the erection of transmission line towers. The Transferee Company is in the business of manufacturing transmission line towers. The amalgamation is proposed for the synergic advantages. The petitions give details of the advantages that would

flow by virtue of the amalgamation of these companies.

3. The meetings of the shareholders of the Transferor Company was dispensed with in view of the consent letters from the concerned shareholders holding 92% of the paid up capital of the Company, approving the scheme being put on record.

4. After the petitions were admitted, the same were duly advertised in the newspapers and the publication in the Government Gazette was dispensed with as directed in the order dated 21-12-2001. No one has come forward with any objections to the said petition even after the publication.

5. Notice of the petition of the Transferor Company was served upon the Official Liquidator attached to this Court. The report dated 16-04-2002 filed by the Official Liquidator confirms that the affairs of the Company have not been conducted in a manner prejudicial to the interest of its members or to the public interest.

6. Notice of the petition has been served upon the Central Government and Smt.P.J.Davawala, Additional Standing Counsel appeared for the Central Government. Smt.Davawala has informed the Court and put on record the letter from the Registrar of Companies of Gujarat dated 12-04-2002 indicating that the Central Government has decided not to make any representations on behalf of the Central Government and to leave the petitions to be decided on merits. There are no other objections raised by anybody. In view of this, there is no reason to withhold the sanction to the Scheme of Amalgamation.

7. I have heard Dr.Mahesh Thakar, learned Advocate for the petitioner - Companies. Having gone through the petitions, I am satisfied that the amalgamation would be in the interest of the respective companies and their members and creditors. Prayer in terms of paragraph 13(a) (in both the petitions) is hereby granted i.e. to the effect that the Scheme of Amalgamation (Annexure-"K" in Company Petition No.232 of 2001 and Annexure-"C" in Company Petition No.233 of 2001) is sanctioned so as to be binding on the petitioner Companies, on all equity shareholders and all creditors of the petitioner Companies.

8. The petitions are disposed of accordingly. So far as the costs to be paid to the Central Government Standing Counsel is concerned, I quantify the same at Rs.3,500/- (Rupees Three thousand five hundred) per petition. The same may be paid to the learned Advocate Smt.P.J.Davawala for both the companies.

Sd/-

(D.A.Mehta,J)

'Bhavesh'